ENVIRONMENTAL ASSESSMENT

FINANCE DOCKET NO. 34395

CITY OF PEORIA, IL, d/b/a PEORIA, PEORIA HEIGHTS & WESTERN RAILROAD CONSTRUCTION OF CONNECTING TRACK EXEMPTION PEORIA COUNTY, ILLINOIS

Decided: March 4, 2004

ACTION: Notice of Availability of the Environmental Assessment and Request for Comments

ABSTRACT: On February 3, 2004, the City of Peoria, IL, d/b/a Peoria, Peoria Heights & Western (PPHW), filed a verified notice of exemption under 49 CFR 1150.36 to construct approximately 1,800 feet of track in Peoria, Peoria County, IL, over land that it owns or over which it has an easement for railroad purposes. The track to be constructed would connect a 1.9-mile segment of track that the City of Peoria (the City) purchased from Union Pacific Railroad Company (UP) with an 8.29-mile segment of track known as the Keller Branch that the City acquired from the Chicago, Rock Island & Pacific Railroad Company (Rock Island).

The former UP segment connects at its west end with a UP main line that extends in a generally north-south direction between Nelson, IL, and St. Louis, MO. It was acquired by the City in 2001 and there are no active shippers currently located on that segment.

The former Rock Island segment was acquired by the City in 1984 from the Rock Island Trustee. It connects at its east end with a rail line of the Peoria & Pekin Union Railway Company (P&PU). P&PU initially operated the segment pursuant to a lease from the City. Thereafter, the Village of Peoria Heights, IL, acquired a 25-percent interest in the segment, which was referred to under the doing-business designation of PPHW. In 1998, Pioneer Industrial Railway Co., the current operator, began operations over the segment pursuant to an assignment of P&PU's lease from the City (consented to by the Village of Peoria Heights). There are three active shippers located on the segment, two of which are located near its northwestern end and one of which is located near its southeastern end.

Should the proposed construction of connecting trackage be completed, the two shippers located near the northwestern end of the segment would be served from the west by DOT Rail Service, Inc., or its designee under an operating agreement with the City. No part of the line that would continue to be operated would be located in the Village of Peoria Heights and the shipper located near the southeastern end of the segment would be served from the southeast by the same or a different rail

operator. Service over the approximately 7.5 miles of the segment that would no longer be required to serve shippers would be discontinued and the right-of-way proposed for use as a recreational trail.

The proposed new connecting track would be located adjacent to an active industrial area in which no residences are located but would result in the construction of a new highway/rail at-grade crossing at University Street and the reactivation of an existing highway/rail at-grade crossing at North Allen Road. Because PPHW is proposing to construct the new connecting track over land which it owns or over which it has an easement for railroad purposes, the Board's Section of Environmental Analysis (SEA) has determined that the preparation of an Environmental Assessment (EA) is appropriate. Therefore, SEA has prepared this EA and is now issuing for public review and comment from all interested parties.

SEA encourages the public to participate in this environmental review of PPHW's proposed activities by commenting on this EA during the 30-day comment period. Comments may be submitted to the address below. When submitting comments, please provide one original and two copies to:

Surface Transportation Board Case Control Unit 1925 K Street, NW Suite 700 Washington, DC 20423-0001

The following information should appear in the lower left-hand corner of the envelope:

Attention: Troy Brady Finance Docket No. 34395

Date made available to the public: March 9, 2004

Comment due date: April 8, 2004